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**Implementation of the Declaration on the Granting of
Independence to Colonial Countries and Peoples**

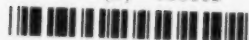
Question of Western Sahara

Report of the Secretary-General

Summary

The present report, submitted pursuant to General Assembly resolution 57/135 of 11 December 2002, summarizes the reports that have been submitted by the Secretary-General to the Security Council on the situation concerning Western Sahara from 1 July 2002 to 30 June 2003.

* A/58/150.



1. On 11 December 2002, the General Assembly adopted, without a vote, resolution 57/135 on the question of Western Sahara. The Secretary-General, in close cooperation with the interim Chairperson of the Commission of the African Union, has continued to exercise his good offices with the parties concerned. The present report, which covers the period from 1 July 2002 to 30 June 2003, is submitted in accordance with paragraph 13 of resolution 57/135.

2. On 30 July 2002, the Security Council adopted resolution 1429 (2002), by which it extended the mandate of the United Nations Mission for the Referendum in Western Sahara (MINURSO) until 31 January 2003. Under that resolution, the Council, *inter alia*, continued to support the efforts of the Secretary-General and his Personal Envoy, James A. Baker III, to find a political solution to the long-standing dispute in Western Sahara that would take into account the concerns expressed by the parties. The Council also expressed its readiness to consider any approach which provided for self-determination that might be proposed by the Secretary-General and the Personal Envoy, consulting, as appropriate, others with relevant experience and requested the Secretary-General to provide a report on the situation before the end of January 2003 that would contain any further proposal from the Secretary-General and his Personal Envoy together with recommendations pertaining to the most appropriate configuration of MINURSO.

3. Pursuant to the above-mentioned resolution, the Secretary-General submitted to the Security Council, on 16 January 2003, a report (S/2003/59) in which he informed the Council that his Personal Envoy was scheduled to visit the region and meet with officials of the Government of Morocco and the leadership of the Frente POLISARIO, as well as officials of the neighbouring States, Algeria and Mauritania, in order to present and explain to the parties and neighbouring countries a new proposal for a political solution to the conflict over Western Sahara, which would provide for self-determination, as requested by the Security Council in its resolution 1429 (2002). On the basis of that visit, the Secretary-General and his Personal Envoy would provide to the Security Council their views of the options available to it with respect to the conflict.

4. In his report, the Secretary-General also informed the Security Council that his Special Representative, William Lacy Swing, had continued his regular contacts with representatives of the parties and neighbouring States in order to keep an open channel of communication and to review periodically the situation on the ground. In that connection, he had held regular exchanges with the MINURSO Coordinators of the Government of Morocco and the Frente POLISARIO in Laayoune and the Tindouf area, respectively.

5. With regard to the activities of the Identification Commission, the Secretary-General informed the Security Council that the Commission had continued its work on the electronic archiving of the 244,643 individual files of persons who had applied to be included in the list of voters for the referendum in Western Sahara.

6. The Secretary-General further informed the Council that the restrictions imposed by the Frente POLISARIO since January 2001 had progressively been lifted and, by the end of June 2002, patrolling of MINURSO military observers had been resumed in all Frente POLISARIO military regions east of the berm, in accordance with the provisions of the ceasefire arrangements between the Frente POLISARIO and MINURSO.

7. Concerning the prisoners of war and persons unaccounted for, on 18 June 2002, the Frente POLISARIO had announced its decision to release, at the request of a Member State, 100 of the 1,361 prisoners of war it held. Those prisoners of war had been repatriated under the auspices of the International Committee of the Red Cross (ICRC). ICRC had continued exchanging information with the parties with a view to determining the fate of persons unaccounted for since the beginning of the conflict. The Secretary-General reminded the Council that some 1,260 Moroccan prisoners of war continued to be held in connection with the Western Sahara conflict. While all of the prisoners of war had been detained for more than 10 years after the cessation of active hostilities, in contravention of international humanitarian law, most of them (816) had been detained for more than 20 years.

8. With regard to the work of the Office of the United Nations High Commissioner for Refugees (UNHCR) in the area, the Secretary-General informed the Security Council that his Special Representative and UNHCR had held two rounds of consultations with representatives of the parties and neighbouring States on the implementation of confidence-building measures providing for the establishment, at no cost to the beneficiaries, of telephone, mail and e-mail services between the Territory west of the berm and the Tindouf refugee camps and some parts of Mauritania, as well as for UNHCR-implemented exchange visits of separated Saharan family members between those locations. In the first round of talks, the parties agreed in principle to the implementation of those measures. However, during the second round of consultations to discuss the implementation of the confidence-building measures, obstacles emerged, especially regarding the modalities for the selection of participants for the exchanges of family visits. MINURSO and UNHCR would continue to review that issue, with a view to assisting the parties to find a mutually acceptable means of moving forward on it. In the meantime, underfunding of the food pipeline for the Western Saharan refugees had led to intermittent shortages throughout 2002. MINURSO had continued to support actively efforts to secure adequate funding for the refugee programmes. As a result of those efforts, the World Food Programme (WFP) and the European Commission Humanitarian Aid Office had approved humanitarian assistance programmes for the refugee camps and the refugee food requirements for 2002 had been met.

9. In concluding his report, the Secretary-General recalled that the Security Council and the United Nations had worked for nearly two decades to assist the parties to find a solution to the conflict. As the parties considered the proposal presented by his Personal Envoy, the Secretary-General asked them to demonstrate statesmanship and seize the new opportunity to provide the people of Western Sahara a chance for a better life. In order to give the parties time to consider the proposal presented to them by his Personal Envoy, the Secretary-General recommended a technical rollover of the MINURSO mandate for a period of two months, until 31 March 2003. He urged the parties to release without further delay those who had been held for so long in contravention of basic international humanitarian law and to embark on confidence-building measures to help to alleviate the considerable suffering of the refugees.

10. On 30 January 2003, the Security Council adopted resolution 1463 (2003), by which it extended the mandate of MINURSO until 31 March 2003 in order to give the parties time to consider the proposal presented to them by the Personal Envoy of

the Secretary-General. It also requested the Secretary-General to provide a report on the situation by 17 March 2003.

11. Subsequently, the Secretary-General sent a letter, dated 19 March 2003, to the President of the Security Council (S/2003/341), in which he referred to the activities of his Personal Envoy pursuant to Security Council resolution 1463 (2003). The Secretary-General pointed out that his Personal Envoy had presented and explained to the parties a proposal for a political solution to the conflict in Western Sahara entitled "Peace plan for self-determination for the people of Western Sahara". Mr. Baker had submitted his proposal to King Mohammed VI of Morocco on 14 January 2003, to President Abdelaziz Bouteflika of Algeria on 15 January 2003 and to the Secretary-General of the Frente POLISARIO, Mohamed Abdelaziz, and President Maaouya Ould Sid' Ahmed Taya of Mauritania on 16 January 2003. In order to allow additional time for all the parties and neighbouring countries to submit their responses to his proposal, the Secretary-General proposed to defer the submission of his report to the Security Council until 19 May 2003. He also proposed a technical extension of the mandate of MINURSO for a further period of two months, until 31 May 2003.

12. The Security Council, by its resolution 1469 (2003) of 25 March 2003, decided to extend the mandate of MINURSO until 31 May 2003. It also requested the Secretary-General to provide a report on the situation by 19 May 2003, as proposed in his letter to the President of the Security Council of 19 March 2003 (S/2003/341), including the views of the parties to the proposal that was presented to them by his Personal Envoy in January 2003.

13. Pursuant to resolution 1469 (2003), the Secretary-General submitted to the Council on 23 May 2003 a report (S/2003/565), in which he informed the Council that his Special Representative, William Lacy Swing, had continued to maintain regular contacts with representatives of the parties. The Special Representative had also met with senior officials from ICRC, UNHCR and WFP to discuss the resolution of pending humanitarian issues related to the conflict, as well as with representatives of major donor countries. On 16 May 2003, the Secretary-General announced that he intended to appoint Mr. Swing as his Special Representative for the Democratic Republic of the Congo as of 1 July 2003 (S/2003/562).

14. With regard to the activities of the Identification Commission, the Secretary-General informed the Security Council that the Commission had finished its archiving work at the end of May 2003.

15. As to military matters, the Secretary-General informed the Council that the Mission's area of responsibility had remained calm, although the Frente POLISARIO had continued to impose some minor limitations on the Mission's freedom of movement. While those limitations did not significantly affect the ability of MINURSO to monitor the situation east of the berm, their removal would have increased the efficiency of the Mission's ground and air patrolling activities.

16. Concerning the prisoners of war and persons unaccounted for, on 26 February 2003, ICRC had repatriated to Morocco 100 prisoners of war, whose release the Frente POLISARIO had announced on 10 February 2003 in response to a request by a Member State. The Frente POLISARIO continued to hold 1,160 prisoners of war, some of whom had been in detention for more than 20 years.

17. With regard to the refugees, the Secretary-General recalled that the Frente POLISARIO and the Government of Morocco, although agreeing in principle to the confidence-building measures proposed by UNHCR, had expressed divergent views on the implementation of such measures. Efforts to achieve a compromise formula had thus far failed, as neither side was willing to reconsider its position. UNHCR and the Special Representative of the Secretary-General had continued their efforts to implement the measures, focusing on those activities that were not contested by the parties. The Special Representative had met individually with officials of the Frente POLISARIO and of the Government of Morocco in February to discuss a modified UNHCR proposal on confidence-building measures to provide limited telephone and personal mail services between some of the Tindouf area refugee camps and the Territory. The idea of movement of persons across the berm could be revisited at a later stage. Accordingly, on 15 April, UNHCR had inaugurated a free, one-way, UNHCR-operated telephone service between one of the camps and the Territory. On 16 April, however, the Frente POLISARIO had requested that the service be suspended and it had yet to be reactivated. The two-way personal mail exchange between the Tindouf refugee camps and the city of Laayoune in the Territory, which was scheduled to begin on 15 May, had been postponed upon a request from the Government of Morocco. Meanwhile, although the overall situation of food assistance to the Western Saharan refugees in the Tindouf area had improved slightly, shortages of some critical items remained and the overall level of donor support for the WFP assistance programme for Western Saharan refugees continued to be low.

18. The Secretary-General also assessed the progress and problems realized since the appointment of his Personal Envoy. He recalled in that respect that in his report to the Security Council of 20 June 2001 (S/2001/613), he had described in some detail the difficulties the United Nations had encountered over the past 11 years in its effort to implement the settlement plan (S/21360 and S/22464 and Corr.1), which had resulted in repeated breakdowns in the identification process. The Secretary-General also recalled the difficulties that his Personal Envoy had encountered during the period of his tenure. (Those developments were described in paragraphs 29 to 40 of the report of the Secretary-General on the question of Western Sahara contained in document A/57/206).

19. In his report to the Security Council (S/2003/565), the Secretary-General added that, owing to the parties' incompatible positions with respect to the possibility of negotiating changes in the draft framework agreement, which had been favoured by Morocco, or the proposal to divide the Territory, which had been favoured by Algeria and the Frente POLISARIO, in his report of February 2002 (S/2002/178), he had presented four options for consideration by the Security Council which would not have required the concurrence of the parties.

20. As a first option, the United Nations could have resumed its efforts to implement the settlement plan without requiring the concurrence of both parties before action could be taken. That effort would have begun with the appeals process, but, even under that non-consensual approach, the United Nations in the years ahead would have faced most of the problems and obstacles that it had faced in the preceding 10 years. As Morocco had expressed unwillingness to go forward with the settlement plan, the United Nations might not be able to hold a free and fair referendum whose results would have been accepted by both sides. Moreover, the question of a mechanism to enforce the results of the referendum would persist.

21. As a second option, the Personal Envoy could have undertaken to revise the draft framework agreement, taking into account the concerns expressed by the parties and others with experience in such documents. However, in that event, the Personal Envoy would not have sought the concurrence of the parties, as had been done in the past with respect to the settlement plan and the draft framework agreement. The revised document would have been submitted to the Security Council, which would then have presented it to the parties on a non-negotiable basis. If the Council had agreed to that option, the size of MINURSO could have been reduced.

22. As a third option, the Security Council could have asked the Secretary-General's Personal Envoy to explore with the parties one final time whether or not they were willing to discuss, under his auspices, directly or through proximity talks, a possible division of the Territory, with the understanding that nothing would be decided until everything had been decided. Under that option, in the event that the parties were unwilling or unable to agree upon a division of the Territory by 1 November 2002, the Personal Envoy would have been asked to show to the parties a proposal for division of the Territory that would also have been submitted to the Security Council. The Council would then have presented the proposal to the parties on a non-negotiable basis. The Secretary-General pointed out that such an approach to a political solution would have given each party some, but not all, of what it wanted and would have followed the precedent, but not necessarily the same territorial arrangements, of the division agreed to in 1976 between Morocco and Mauritania. If the Council had chosen that option, MINURSO could have been maintained at its present size, or it could have been reduced.

23. As a fourth option, the Security Council could have decided to terminate MINURSO, thereby recognizing and acknowledging that after more than 11 years and the expenditure of nearly half a billion dollars, the United Nations was not going to solve the problem of Western Sahara without requiring that one or both of the parties did something that they did not voluntarily agree to do.

24. The Security Council had not been able to agree on any of the options. Instead, by its resolution 1429 (2002), it had expressed its continued strong support for the efforts of the Secretary-General and his Personal Envoy to find a political solution that would provide for self-determination, taking into account the concerns expressed by the parties and consulting, as appropriate, others with relevant experience. The Security Council had also called upon the parties and the States in the region to cooperate fully with the Secretary-General and his Personal Envoy in that regard.

25. Consequently, the Personal Envoy, during his visit to the region from 14 to 17 January 2003, had presented to the parties and neighbouring countries a peace plan for self-determination of the people of Western Sahara (see S/2003/565, annex II), which he had also shared with members of the Security Council in March. The Secretary-General believed that the peace plan provided a fair and balanced approach towards a political solution to the question of Western Sahara, providing each side some, but perhaps not all, of what it wanted. The peace plan incorporated elements of the draft framework agreement, favoured by Morocco, as well as elements of the settlement plan and of the Houston Accords, agreed to by both sides and favoured by the Frente POLISARIO. The peace plan represented a compromise. It envisaged a period of transition during which there would be a division of

responsibilities between the parties before the holding of a referendum for self-determination that would provide the bona fide residents of Western Sahara with an opportunity to decide their future. Unlike the settlement plan, the peace plan did not require the consent of both parties at each and every stage of its implementation.

26. The report also contains the responses of the parties and neighbouring countries to the peace plan (see *ibid.*, annex III). Assessing the parties' responses, the Secretary-General had stated that the main objection of Morocco to the peace plan seemed to be that in the referendum to determine the final status of Western Sahara, one of the ballot choices was independence. That, however, was also one of the two ballot choices under the settlement plan, which Morocco had accepted. Furthermore, it was difficult to envision a political solution that, as required by the Security Council in its resolution 1429 (2002), provided for self-determination but precluded the possibility of independence as one of several ballot questions. That was particularly difficult to envision given: (a) Morocco's stated commitment to the settlement plan over so many years; and (b) the inclusion in the electorate for the referendum foreseen under the peace plan of all those who had resided continuously in Western Sahara since 30 December 1999, as opposed to only those who would be included in the voter list, created on the basis of the work of the Identification Commission.

27. The Secretary-General was of the view that the peace plan could be amended in a manner that might assuage the concerns of Morocco. That would be to provide a third ballot choice, i.e., "continuation of the division of authority set forth in article III of the peace plan", in other words, self-government or autonomy for the Territory. It was recalled that Morocco had for some time supported the concept of self-government or autonomy as the solution to the conflict over Western Sahara. The Secretary-General and his Personal Envoy proposed that that third question be included on the ballot for the referendum on the peace plan. If none of the three ballot questions obtained a majority of votes, the one receiving the fewest votes would be eliminated and a run-off referendum would be held to allow voters to choose between the two remaining ballot questions. If the third option, self-government or autonomy, prevailed, the electorate for future elections of the executive and legislative bodies of the Western Sahara Authority would be the bona fide residents of Western Sahara over the age of 18.

28. The Secretary-General informed the Security Council that the chief objection of the Frente POLISARIO to the peace plan seemed to be that it was not the settlement plan. The Frente POLISARIO suggested that the parties revert to the implementation of the settlement plan, with two new elements: (a) that the Identification Commission would process all 130,000 appeals, with no requirement that sheikhs participate, and with the Commission's decisions accepted as final; and (b) that a mechanism would be added to provide for enforcement of the results of the referendum under Chapter VII of the Charter of the United Nations. The Secretary-General observed that even with those two new elements, the settlement plan would still require the parties' consent at every stage of its implementation. It was difficult to envision Morocco consenting to the proposal of the Frente POLISARIO as a way of implementing the settlement plan. As far as adding a Chapter VII mechanism to enforce the results of the referendum, the Secretary-General recalled that, following his report of February 2002 (S/2002/178), the Security Council would not choose any of the four options proposed by the Secretary-General and his Personal Envoy because neither party would consent or agree to one of them. He considered it

therefore quite unlikely that the Council would decide to enforce the result of the referendum under Chapter VII.

29. The Secretary-General added that the responses of the parties also contained a number of ostensibly technical objections to the peace plan. However, when taken together, those objections suggested that the parties still lacked the genuine will required to achieve a political solution to the conflict.

30. The Secretary-General further added that the Security Council should not exclude the possibility that it might be asked by one or both parties to support a process in which objections and/or changes to the peace plan would be negotiated between them, perhaps under the auspices of the United Nations. However, he did not believe that such an approach would be conducive to moving the process forward. Rather, the Secretary-General and his Personal Envoy believed that the parties should accept the plan as proposed. The Secretary-General further recalled in that connection that over the six-year period of his Personal Envoy's involvement with the issue, he had convened the parties nine times, usually with discouraging results.

31. In conclusion, the Secretary-General observed that after more than 11 years and an amount of assessed contributions close to \$500 million, it should be acknowledged that the Security Council was not going to solve the problem of Western Sahara without asking that one or both of the parties do something they were not otherwise prepared to do. Pursuant to Security Council resolution 1429 (2002), the Personal Envoy had developed a fifth option, "the peace plan for self-determination of the people of Western Sahara", in addition to the four that had been described in the report of the Secretary-General of 19 February 2002 (S/2002/178). The Secretary-General recommended that the Council endorse the peace plan. The four earlier options could, of course, still be considered, but if the Council was not prepared to revisit them with a view to making a choice, he recommended that the parties be asked by the Council to agree to the peace plan and to work with the United Nations to implement it.

32. The Secretary-General added that he had reluctantly come to the conclusion that unless and until the parties demonstrated readiness to assume their own responsibilities and make the compromises necessary to reach a successful outcome to the conflict, a fresh initiative to find a solution to the question of Western Sahara was likely to suffer the same fate as the earlier ones. Accordingly, he urged the Security Council to seize the opportunity to address effectively the long-standing issue of Western Sahara by requesting the parties to agree to the peace plan as amended and to work with the United Nations in its implementation.

33. The Secretary-General concluded that if the parties could not agree on an approach for a political solution and if the Security Council was not in a position to ask them to take steps that they did not perceive to be in their own interest, despite the fact that it might clearly be in the interest of the population of Western Sahara, the Council might wish to consider whether it was inclined to remain actively seized of that political process.

34. On 30 May 2003, the Security Council adopted resolution 1485 (2003), by which it extended the mandate of MINURSO until 31 July 2003 in order to consider further the report of the Secretary-General of 23 May 2003 (S/2003/565).



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**Implementation of the outcome of the World Summit
for Social Development and of the twenty-fourth
special session of the General Assembly**

Implementation of the outcome of the World Summit for Social Development and of the twenty-fourth special session of the General Assembly

Report of the Secretary-General

Summary

The present report is submitted in response to General Assembly resolution 57/163. A brief analysis of the recommendations made by the Commission for Social Development at its forty-first session on the priority theme "National and international cooperation for social development" is followed by an assessment of the issues addressed and by recommendations to the General Assembly on follow-up actions. The report focuses on two broad themes: the coherence of policies to promote social development, and participation and partnership as objectives and means of social development.

* A/58/150.



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1. Introduction

1. The present report has been prepared in response to General Assembly resolution 57/163, in which the Secretary-General was requested to submit a report to the Assembly at its fifty-eighth session on the implementation of the outcome of the World Summit for Social Development and the twenty-fourth special session of the General Assembly. The present report is the fourth in a series of reports on this subject since the holding of the twenty-fourth special session in June 2000.

2. The first report submitted to the General Assembly (A/55/344) provided an analysis of the special session's outcome document and an overview of the new initiatives adopted. The second report (A/56/140) reviewed the follow-up activities undertaken by intergovernmental bodies. The third report (A/57/115) focused on the outcome of intergovernmental conferences and summits organized since the twenty-fourth special session and their link with activities to promote the implementation of the outcome of the Copenhagen Declaration on Social Development and the Programme of Action of the Summit.¹

3. At its forty first session, in February 2003, the Commission for Social Development, in the context of its responsibility for the follow-up to the Summit and the twenty-fourth special session of the General Assembly, considered the theme "National and international cooperation for social development". The agreed conclusions it adopted on that topic² were to be submitted to the Economic and Social Council for its endorsement at its substantive session of 2003. In order to bring to the attention of the Assembly the content of those agreed conclusions, the present report provides a brief analysis and assessment of the issues addressed therein, and contains recommendations to the Assembly on follow-up actions.

4. At the outset, it is useful to recall that the General Assembly in its resolution 57/163 reaffirmed the commitments made at the Summit establishing a new consensus to place people at the centre of development. The Assembly noted that the integration of social development objectives in the recent international conferences and summits demonstrated a continuing firm commitment to achieving the goals of the Summit. At the same time, it recognized that strengthened and effective international and regional cooperation and assistance for increased participation, greater social justice and improved equity in societies would be required, as well as effective partnership and cooperation between Governments and the relevant actors of civil society, including non-governmental organizations and the private sector.

5. In the same resolution, the Assembly invited the Secretary-General, the Economic and Social Council, the Commission for Social Development, the regional commissions, the relevant specialized agencies, funds and programmes of the United Nations system and other relevant intergovernmental forums to continue to integrate into their work programmes and give priority attention to the commitments contained in the Copenhagen Declaration. It welcomed the contribution of the Commission for Social Development to the follow-up process and reaffirmed that it would continue to have the primary responsibility in that regard. Finally, the Assembly recognized the need for an integrated and coordinated follow-up to all major United Nations conferences, special sessions and summits.

6. Policy coherence and partnership, together with country ownership, have emerged as the core organizing principles of today's development agenda, a fact that

is strongly reflected in both the resolutions and agreed conclusions adopted by the Commission for Social Development and the discussions of the follow-up to the International Conference on Financing for Development, held in Monterrey, Mexico, from 18 to 22 March 2002, and the Fourth Ministerial Conference of the World Trade Organization, held in Doha, Qatar, from 9 to 13 November 2001. Whereas the latter two processes have largely focused on increasing the coherence of economic policies through more effective coordination and cooperation at the national, regional and global levels, the Commission for Social Development has stressed the need to recognize the interdependence between social and economic policies and to promote integrated, comprehensive and consistent public policies. Furthermore, the Commission has placed emphasis on encouraging broad participation and partnership of all stakeholders in the formulation of policies in order to maximize the opportunities for social and economic development in the context of globalization, as well as to mitigate its negative consequences.

7. It is from that perspective that the two themes — coherence of policies to promote social development, and participation and partnership as objectives and means of social development — have been selected for the present report.

II. Coherence of policies to promote social development

8. The question of the coherence of the vast array of policies that are necessary to promote social development was approached by the Commission for Social Development from four angles:

- (a) Coherence of policies in relation to the goals and objectives of social development;
- (b) Coherence and integration of social and economic policies;
- (c) Coherence between national and international cooperation for development policies;
- (d) The specific case of employment.

A. Coherence of policies in relation to the goals and objectives of social development

9. The Commission stressed that national and international efforts and cooperation should aim at "solidarity, equality within and among countries, social justice, good governance at all levels, tolerance and full respect for all human rights and fundamental freedoms". The Commission also indicated that cross-sectoral and integrated policies should take into account the "needs and interests of all members of society (and) their contributions to national development", and should promote the mainstreaming of a "gender perspective".

10. By mentioning that range of goals, the Commission reaffirmed the texts adopted in Copenhagen and Geneva in 1995 and 2000. Both the Summit and the twenty-fourth special session of the General Assembly³ linked social justice, equality of rights, notably for women and men, and good governance, including through the rule of law, and both emphasized that the well-being of all members of society should be the central objective — and the main criterion for evaluation — of

public policies. Further, by linking the "needs", "interests" and "contributions" of people, the Commission stressed the importance of participation, as it relates to empowerment, to open and efficient market economies, and to the pursuit of democracy.

11. Achieving coherence and consistency of national and international policies in the light of the above can be treated here only in very broad terms. The following points are notable:

(a) National development policies are increasingly emphasizing the positive relationship between improvements in levels of living, open and efficient market institutions offering opportunities to a maximum number of people, good governance and the promotion of human rights. That approach has gained wide acceptance, although its full implementation remains difficult;

(b) National and international policies are on considerably less firm ground when it comes to ensuring social justice, which encompasses such varied goals as the reduction of poverty, equality of rights or equality of opportunities. Notwithstanding those notions of social justice, there is evidence that inequalities in income, wealth and power, among as well as within countries, are increasing;

(c) Partly due to the growing interdependence among economies and societies, the formulation of policies, especially the macroeconomic policies of developing countries, is increasingly constrained by the exigencies exerted by the international economic environment. As a result, the long-term social development objectives and their concomitant policies are increasingly made subordinate to short-term economic policy agendas, with the risk that coherence between those policies will be tenuous at best or lost at worst.

Recommendation

12. **The General Assembly may wish to stress that, in addition to social policies, progress in the realization of long-term social goals, such as equity, social cohesion and an adequate accumulation of human capital, requires supportive and coherent short-term and long-term economic policies at the national and international levels.**

B. Coherence and integration of social and economic policies

13. The Commission for Social Development invited the General Assembly and the Economic and Social Council to "continue to include consideration of the integration of economic and social policies as one of the thematic areas to be addressed in future debates".

14. The fact that that question has been present in the work of the United Nations for a number of decades illustrates its centrality and difficulty. There are a number of different ways of integrating social and economic objectives. One way would be an integration by which all economic policies of national Governments and international organizations would be made subject to a few social goals, revolving around the overarching goal of promoting the greatest level of well being for the maximum number of people. Under that approach, economic policies, such as those related to production, trade and consumption of goods and services, would be set with that overall social goal in mind.

15. Another form of integration would be a situation whereby national and international public agencies would consistently and simultaneously keep in mind social and economic objectives and goals when elaborating and implementing their policies. Policies on taxation for instance, would attempt to balance several objectives, including the need to stimulate entrepreneurship and the need to finance public services, such as education and health, for access to which a lack of personal income should not be an obstacle. The Copenhagen Summit and the Geneva special session underscored that form of integration in their commitments.

16. A third form of integration is the mirror image of the first, whereby social policies are made subject to economic policies and their concomitant goals and objectives. Under those conditions, short-term economic policies take precedence over long-term, largely social, development objectives. That state of affairs is mainly derived from the importance attached to pursuing sound macroeconomic policies, which aim primarily at the rapid correction of fiscal imbalances and external deficits under conditions of low inflation, the removal of controls on the movement of capital and liberalization of the financial sector, and openness to foreign trade and foreign investment. In an increasingly globalized and interdependent world, those measures become priorities for most Governments. Underlying such policies is the assumption that social development, including the reduction of poverty, will follow economic growth and remedial targeted projects for those who do not benefit from that growth. As a consequence, issues of distribution and social development objectives are not explicitly addressed in policy formulation, nor is any significant attention paid to assessing and understanding the social consequences of economic policies.

17. To have one set of policies, in this case the economic ones, dominate the other, is not a genuine integration of social and economic policies. However, that is the prevalent situation in most countries, whether developed countries, developing countries or countries in transition. To some extent, that predominance of economic over social policies is caused by the fact that social ministries or other "line" ministries have only limited power over and influence on their counterparts in the economic and financial spheres of governments. The strongest argument, however, is that social progress cannot be achieved under unstable economic conditions. The other side of the coin, it should be stressed, is that economic stability cannot be sustained in an unstable society. Reconciling those two positions will be an essential ingredient for integrating economic and social policies.

18. Almost 10 years after the World Summit for Social Development, it has become clear that sustained and "pro-poor" economic growth is critical to poverty reduction. However, in the context of the equity-enhancing growth strategy, other fundamental aspects of development, such as employment, education, health care and social integration, including adequate and stable funding for social policies and programmes, need to be forcefully brought back into policy formulation if the causes of poverty — and not merely its symptoms — are to be successfully addressed. Political commitment is unlikely to translate into integrated policy approaches without innovative conceptual and operational frameworks that would ensure coherence and the balanced integration of economic and social policies.

Recommendation

19. The General Assembly may wish to encourage the Economic and Social Council and the different entities of the United Nations system to assess the manner in which social and economic policies are integrated. The General Assembly may also wish to request the Commission for Social Development to give particular attention to the issue of integration at future sessions.

C. Coherence between national and international cooperation for development policies

20. Since each country has primary responsibility for its economic and social development and is encouraged by the United Nations to follow its own path, international cooperation for development has a supportive role that should be consistent with national efforts. The perspective for assessing the coherence of the actions of international organizations should be a national one. The Commission for Social Development followed that logic by insisting that international cooperation has a vital role in the strengthening of the "human, institutional and technological capacity" of developing countries and some countries with economies in transition. Without building such capacity, the Commission noted, "it will be difficult to ensure that social policy concerns are integrated within the policy planning and budgeting process". In other words, developing and other countries will be unable to exert their responsibility for social development without technical assistance and other forms of aid provided through international cooperation.

21. In the same vein, the Commission noted the "increasing coordination and cooperation" at the operational level between the United Nations funds and programmes and the international financial institutions, and in that context invited those institutions to ensure that "improved social outcome is incorporated into their programme of assistance". Most importantly, given the current focus on poverty reduction, the Commission pursued that line of reasoning by indicating that poverty reduction strategies should be "nationally owned" and that when the "poverty reduction strategies papers" do exist, they should benefit from a "broad platform" and should be placed "within a wider context where all social objectives would be adequately taken into account".

22. On the question of national ownership, a declaration issued in 2002 by ministers of the heavily indebted poor countries urged the Bretton Woods institutions to move much more rapidly forward on developing methodology for ex-ante poverty and social impact analysis of all programme conditions, so that practical tools can be applied by the countries themselves to such analysis, benefiting from assistance independent of the Bretton Woods institutions, where necessary.

23. Thus, the Commission, in line with the Summit and the Geneva special session, reaffirmed that the reduction of poverty is an integral part of social development and that a coordinated international support should see that development in its various dimensions. That coherent and coordinated support implies that the advice on macroeconomic and trade policies given by international organizations to developing countries should also be compatible with social development objectives.

24. National policies for social development, however, are influenced not only by the actions of organizations whose mandate is to promote international cooperation but also by the actions of other public and private actors implementing their own strategies. Such actors include above all the developed countries, international organizations, such as the World Trade Organization, and transnational corporations. Highly visible initiatives of social movements and other organizations of civil society, such as the World Social Forum created at Porto Alegre, Brazil, a few years ago, have also become an integral part of the multi-stakeholder dialogue. They are aiming at examination and debate whether or not the actions of those other actors are facilitating or hampering social development in the world. Much effort in that respect has also been undertaken within the context of the preparations for UNCTAD XI, to be convened in Sao Paulo, Brazil, in June 2004 on the topic of enhancing coherence between national development strategies and global economic processes towards economic growth and development, particularly of developing countries. Another example for promoting international dialogue on making globalization more inclusive is the work of the World Commission on the Social Dimension of Globalization, which was established under the auspices of the International Labour Organization.

25. Another critical dimension of international cooperation for the social development of developing countries is the fact that efforts, partial achievements and successes are often reversed by violent upheavals and conflicts. The current high number and recurrence of such conflicts is a powerful reminder that conflict prevention is an integral part of the quest for social progress, development and the reduction of poverty. In that context, the Commission for Social Development welcomed the commitment of African countries, as embodied in the New Partnership for Africa's Development (NEPAD), to peace and conflict resolution as an essential foundation for sustainable development in the region.

26. It is increasingly obvious that meeting the objectives of overall development and poverty eradication depends on the creation of an enabling environment and the adoption of effective measures, including conflict prevention, the availability of sufficient and stable financial resources, and greater access of the developing countries to the markets of developed countries in order to support developing countries' efforts to achieve sustained economic growth, social and sustainable development and the strengthening of their democratic systems.

27. It also seems that globalization has exposed the limitations of the existing framework for international cooperation and has significantly increased awareness of the need for international cooperation for social development. Globalization has revealed a mismatch between current systems and institutions of national regulation and accountability and the global nature of economic and financial operations, therein creating a new impetus for international cooperation and dialogue. In response to that challenge, an institutional framework needs to be developed that not only elaborates economic and financial rules but also includes and allows for the treatment of specific social issues.

Recommendation

28. The General Assembly may wish to stress that, given the growing and multifaceted interdependence of all regions and countries, coherent and strengthened international cooperation is the indispensable complement to the

efforts of developing countries to promote their social development and reduce poverty. Such international cooperation should include the creation of a culture of conflict prevention and peace as well as of a favourable external economic environment.

D. The specific case of employment

29. In its agreed conclusions on national and international cooperation for social development, the Commission made the following references to employment:

(a) It called for "adequate attention to productive and sustainable employment" and for "employment strategies" to be developed "in harmony with economic growth strategies and structural reforms"; it stressed the need for "labour and employment policies" that will support both growth with employment and employment that supports social development goals;

(b) It saw the "involvement of social partners" as an important element in ensuring the success of employment strategies; it stated that sustainable development objectives should aim at "quality employment" and the defence of "workers rights and interests"; it called for respect for United Nations and International Labour Organization (ILO) conventions;

(c) The Commission also encouraged the strengthening of cooperation among countries "to address labour market information and skills standard certification as well as transnational issues on labour migration, with a view to protecting the rights and dignity of migrant workers".

30. The recognition that employment issues have continued to remain peripheral to the overall development policy agenda despite the centrality of employment in the fight against poverty and social exclusion has led to two international initiatives: the ILO global employment agenda and the Secretary General's youth employment network.

31. The global employment agenda aims at elaborating a comprehensive employment framework that will allow for policy coherence and coordination. Explicitly addressing the objective of employment generation is viewed as critical to achieving both growth with employment and employment with social equity, while avoiding trade-offs between employment growth and inflationary pressure or between productivity and slower employment creation.

32. The youth employment network initiative places great emphasis on the contribution of employment policies to social cohesion and inclusion of youth and the need to promote active policies that address the non-economic dimension of employment and work. Priorities under that initiative are to be given to removing barriers which lead to practices that discriminate against youth employment in general, the unemployment of young women or youth entrepreneurship.

Recommendation

33. The General Assembly may wish to reaffirm that employment creation and progress in working conditions, which are indispensable elements of poverty reduction, social integration and overall development, should be at the centre of development strategies and international cooperation in support of

national policies. The Assembly may also wish to encourage current initiatives of the United Nations system to foster youth employment and the elaboration of comprehensive employment strategies.

III. Participation and partnership as objectives and means of social development

34. In recent years, participation and partnership have emerged as objectives and instruments of social development. In the wake of the World Summit for Social Development, the increasingly global character of social development requires the active and responsible involvement of all, including those currently deprived of political voice and power. In that regard, the following three main elements can be found in the Commission's agreed conclusions on national and international cooperation:

- (a) Participation of developing countries in international affairs;
- (b) Partnership among all actors of the development process: the private sector and civil society;
- (c) NEPAD as an example of partnerships.

A. Participation of developing countries in international affairs

35. In view of the "considerable obstacles" still faced by developing countries to "further integration and full participation in the global economy", the Commission for Social Development reiterated the need for "immediate action in order to overcome those obstacles". The Commission stressed that "the social impact and dimension of globalization deserve further attention". Such integration and full participation depend to a considerable extent on the ability of developing countries to participate and influence international economic decision-making.

36. The Commission also stressed that "in an increasingly globalizing world, renewed and effective partnerships between developed countries and developing countries, as well as countries with economies in transition, are required to achieve the internationally agreed social development objectives and commitments, including those contained in the Millennium Declaration". This involves, *inter alia*, a substantial increase in official development assistance (ODA) by developed countries that have not met the target of 0.7 per cent of gross national product. At the same time, the Commission stated that "recipient and donor countries, as well as international institutions, should strive to make ODA more effective".

37. The Commission reiterated the call of the General Assembly at its twenty-fourth special session concerning "the necessity to ensure the effective involvement of developing countries in the international economic decision-making process", which could be achieved through, for example, "greater participation in international economic forums, thereby ensuring the transparency and accountability of international financial institutions with respect to according a central position for social development in their policies and programmes".

38. A communiqué dated 28 September 2002 of the Development Assistance Committee of the Organisation for Economic Cooperation and Development, in

particular its paragraph 10, refers to the need to identify pragmatic and innovative ways to enhance further the participation of developing countries and countries with economies in transition in international decision-making and norm-setting, and encourages all relevant international financial institutions to take concrete measures to that end.

39. The need for greater involvement of the Governments of developing countries in the various international institutions having an influence on global decisions and trends has been on the international agenda for some time and has been stressed in recent years, notably at the International Conference on Financing for Development at Monterrey. At issue is not only the level of representation of developing countries in the committees or boards of organizations, such as the World Bank, the International Monetary Fund, the World Trade Organization and the Bank for International Settlements, but the capacity of developing countries to participate effectively in their daily operations and in the decisions, including reforms.

Recommendation

40. **The General Assembly may wish to stress that the social development of developing countries and their capacity to pursue integrated socio-economic policies require their effective involvement and participation in international decision-making and norm-setting, including in international financial forums, and to call upon all international institutions to take concrete measures to that end.**

B. Partnership among all actors of the development process: the private sector and civil society

41. The Commission recognized that partnerships among all relevant actors are increasingly becoming part of national and international cooperation for social development, both within countries and at the international level. At the national level, that would mean partnerships among Governments, civil society and the private sector. At the international level, the Commission encouraged "voluntary partnerships for social development" and decided that that issue should be further discussed at the intergovernmental level.

42. Regarding the private sector, the Commission underlined that sector's responsibility "at the national and international levels, including small and large companies and transnational corporations". Those responsibilities relate to "not only the economic and financial but also the developmental, social, gender and environmental implications of their activities". Companies also have responsibilities towards their workers. In that context, the Commission "emphasized the need to take concrete actions within the United Nations system and through the participation of all relevant stakeholders with regard to corporate responsibility and accountability".

43. The past decade has witnessed an increasing awareness that the contribution of the private sector to development could be enhanced in most countries both by complementing more efficiently and effectively some activities undertaken by the State and by increasing the extent of the private sector's contribution in other areas. Furthermore, it is increasingly recognized that both large and small companies in the

private sector have a responsibility to contribute to equitable and sustainable communities and societies.

44. Against this background, the Plan of Implementation of the World Summit on Sustainable Development⁴ calls for a dialogue between enterprises and the communities in which they operate, and encourages industry to improve social and environmental performance through voluntary initiatives, including codes of conduct, certification and public reporting on environmental and social issues.

45. While there is no universally applicable approach to determining the respective roles and responsibilities of the Government and the private sector in the quest for accelerated development, it is the duty of the Governments to ensure that, for their part, the private sector, both domestic and international, contributes as much and as effectively as possible to national development goals. In so doing, Governments should adopt measures that promote corporate social responsibility and accountability, including through the full development and effective implementation of intergovernmental agreements and measures and appropriate national regulations, and that support continuous improvements in corporate practices in all countries.

46. When introducing elements of market mechanisms in such areas as health, education and training, a number of precautions are necessary, especially with respect to attaining the objectives of equal access, cost containment and quality of services. Since the aims of the public and private sectors are usually quite different, the public sector needs to analyse the costs and benefits of such partnerships in the wider context of public interest, public social goals and the integrity of public policy and the public sector. The advantages and disadvantages of engaging in partnerships with the private sector, including the safeguards needed to ensure public sector integrity, should be compared to other mechanisms, including contracting, purchasing and public sector provision.

47. The civil society is a growing force, nationally and globally. There is an emergence of an international civil society, representing a network of actors across national boundaries. Those actors are participating in the discussion of global issues, not only from the perspective of national interest but also from the perspective of concern about the international ramifications of specific problems. Through criticism and grass-roots proposals, civil society stimulates the various international organizations, Governments and global corporations to take action on such issues as better social standards, labour conditions, a healthier natural environment and human rights for all. As to the responsibility of the organizations of civil society, the accountability, transparency and integrity that are demanded from Governments and corporations in the context of effective partnerships for social development are also required of NGOs.

48. From the above, it is apparent that there is a need for social dialogue at all levels. Civil society organizations, including trade unions, should establish a dialogue with Governments, corporations and international organizations, and should also debate among themselves. It is only through cooperation and partnerships among those organizations that all voices in society are heard, and in particular that cooperation between labour and business is maintained.

Recommendation

49. The General Assembly may wish to stress that social development requires the active involvement of all actors in the development process, including civil society organizations, corporations and small businesses. The Assembly may also wish to emphasize in that regard that the notions of responsibility and accountability are applicable to all those actors and to call upon the United Nations and organizations of the United Nations system to incorporate those notions in their respective programmes of work. The Assembly may further wish to encourage the Commission for Social Development to consider the possibility of including the topic of building international voluntary partnerships for social development in the agenda of future sessions.

C. New Partnership for Africa's Development as an example of partnerships

50. At the outset, it should be recalled that in both the Copenhagen Declaration on Social Development and the outcome document of the twenty-fourth special session of the General Assembly, commitment 7 has been devoted to the acceleration of the economic, social and human resource development of Africa and the least developed countries.

51. The New Partnership for Africa's Development (NEPAD) offers a promising framework for addressing the social dimensions of African development within an international cooperation context. Through NEPAD, African Government leaders have agreed to take joint responsibility for, inter alia, restoring and maintaining macroeconomic stability; strengthening mechanisms for conflict prevention, management and resolution; promoting and protecting democracy and human rights; and taking action to strengthen legal frameworks and working to achieve internationally agreed development goals.

52. In considering its priority theme on national and international cooperation for social development, the Commission welcomed "the prominence given to the New Partnership for Africa's Development (NEPAD) in the report of the Secretary-General as an example of a partnership among Governments", and "invited him to continue to reflect those dimensions in future reports to the Commission on its priority themes". It also recognized that the objectives and action plans enunciated in the Partnership are consistent with the internationally agreed development goals, including those contained in the United Nations Millennium Declaration and the Copenhagen Declaration on Social Development.

53. In the Commission's draft resolution on the implementation of the social objectives of NEPAD, recommended for adoption by the Economic and Social Council, "the New Partnership objectives of eradicating poverty in Africa and placing African countries, both individually and collectively, on a path of sustainable growth and development and thus facilitating Africa's participation in the globalization process", were emphasized. In the same draft resolution, "the international community and the United Nations system" were urged "to organize support for African countries in accordance with the principles, objectives and priorities of the New Partnership", and "the international financial institutions" were

invited "to ensure that their support for Africa is compatible with the principles, objectives and priorities" of NEPAD.⁵

54. NEPAD represents a new contract between developed and developing countries, with the latter committing themselves to the promotion of democracy, the rule of law and respect for human rights. The success of such new initiatives would include peace and security; a revision of the international development cooperation in support of Africa's accelerated development; political will to honour commitments by both African countries and donor countries; and sustained advocacy for African development.

Recommendation

55. The General Assembly may wish to reaffirm the call of the Economic and Social Council for enhanced coordination within the United Nations system and ongoing efforts to harmonize the current initiatives on Africa. The Assembly may also wish to request the Commission for Social Development to continue to give due prominence to the social dimensions of NEPAD in its work.

IV. Concluding remarks

56. The recommendations made by the Commission for Social Development on national and international cooperation for social development, in line with General Assembly resolution 57/163, emphasize the importance of coherent and participatory policies to further social development goals. Policy coherence requires not only the still elusive integration of social and economic policies but also a better understanding of the direct importance of the promotion of a culture of conflict prevention and peace for social development. Participation and partnership are both means and objectives of social development. They involve an increasing number of actors whose responsibility and accountability are increasingly being demanded.

57. The goal of the present report, as stated in paragraph 3 above, was to bring to the attention of the Assembly the substantive content of the agreed conclusions adopted by the Commission for Social Development on its priority theme "National and international cooperation for social development". It should be recalled that, in its resolution 57/163, the Assembly recognized that the Commission had the primary responsibility for the follow-up to the World Summit for Social Development and the twenty-fourth special session of the Assembly, and welcomed its contribution in that regard. Therefore, an alternative would be for the Commission to formulate its views on that follow-up in resolutions for consideration by the Assembly through the Economic and Social Council.

Notes

¹ See *Report of the World Summit for Social Development, Copenhagen, 6-12 March 1995* (United Nations publication, Sales No. E.96.IV.8), chap. I, resolution I, annexes I and II.

² See *Official Records of the Economic and Social Council, 2003, Supplement No. 6 (E/2003/26)*, chap. I, sect. A, draft resolution V.

³ See General Assembly resolution S-24/2, annex.

⁴ See *Report of the World Summit on Sustainable Development, Johannesburg, South Africa, 26 August-4 September 2002* (United Nations publication, Sales No. E.03.II.A.1), chap. I, resolution II, annex.

⁵ See *Official Records of the Economic and Social Council, 2003, Supplement No. 6 (E/2003/26)*, chap. I, sect. A, draft resolution III.

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United Nations Fund for International Partnerships**Report of the Secretary-General***Summary*

The present report is submitted pursuant to General Assembly decisions 52/466 of 31 March 1998 and 53/475 of 8 June 1999, wherein the Secretary-General was requested to continue to inform the Assembly, on a regular basis, about the activities of the United Nations Fund for International Partnerships (UNFIP). Information is provided on the outcome of the eleventh and twelfth funding cycles, which took place in 2002, as well as on progress in each programmatic focus area. The present report supplements the information contained in the previous reports of the Secretary-General (A/53/700 and Add.1, A/54/664 and Add.1-3, A/55/763 and Corr.1 and A/57/133).

Member States will note that a total of \$69.3 million has been programmed for the year 2002 — \$33.1 million for projects relating to children's health, \$20.6 million for projects concerning the environment, \$10.3 million for projects regarding population and women, \$3.1 million for projects in the peace, security and human rights area and \$2.2 million for institutional capacity-building. From 1998, when the partnership between UNFIP and the United Nations Foundation was launched, up to 31 December 2002, \$489 million was programmed.

* A/58/150.



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I. Introduction

1. In 2002, the United Nations Fund for International Partnerships (UNFIP) continued to play its role as focal point for the partnership with the United Nations Foundation (UNF) in connection with Robert E. Turner's contribution in support of United Nations causes. As such, UNFIP collaborated with UNF to support innovative, high-impact projects consistent with the programme frameworks for children's health; population and women; the environment; and the evolving strategy for peace, security and human rights. Special emphasis was placed on working with United Nations implementing partners and the United Nations Development Group on joint proposals at the field level, consistent with the Common Country Assessments and the United Nations Development Assistance Frameworks. At the end of 2002, the programme portfolio stood at 251 projects totalling \$489 million, involving project activities in 120 countries carried out by 39 United Nations implementing partners.

2. UNFIP was also increasingly called upon to provide advice to the private sector and foundations on partnership options with the United Nations family in furtherance of the Millennium Development Goals, and to facilitate networking and fund-raising possibilities for the Organization, including with bilateral and multilateral donors.

II. Programme

3. This section contains a more detailed commentary on the key programmes and projects being implemented under the four programme frameworks: children's health; environment; population and women; and peace, security and human rights. Information is also provided on the monitoring and evaluation of these projects.

A. Children's health

4. A total of \$33.1 million was approved in 2002 for projects relating to children's health, bringing the total value of this portfolio to \$201 million as at 31 December 2002 (see annex). The United Nations Children's Fund (UNICEF) and the World Health Organization (WHO) continued to be the major partners for this portfolio.

5. Member States will recall that the programme framework on children's health identifies three areas of focus, namely, eradicating polio, decreasing child mortality and preventing tobacco use. Examples of project activities during 2002 include reducing measles mortality in the Africa region through the strengthening of immunization services; support for the polio eradication initiative; and strengthening measures to prevent mother-to-child transmission of HIV/AIDS.

6. Measles remains the leading cause of vaccine-preventable childhood mortality in Africa. In 2002, 37 million children were immunized. Over the three-year period of impact, approximately 240,000 childhood deaths were prevented. In some countries, measles activities strengthened national health systems by increasing community demand for immunization, training health-care workers, promoting injection safety and including other health activities in measles campaigns — e.g.,

vitamin A supplementation, polio immunization and the distribution of bed nets to prevent malaria. Success was made possible through partnerships with the American Red Cross, the United States Centers for Disease Control and Prevention and the International Federation of Red Cross and Red Crescent Societies.

7. By 2002, approximately \$82 million had been made available through UNEF to UNICEF and WHO in support of the Global Polio Eradication Initiative. Collaboration in 2002 also resulted in an innovative financing agreement under which \$50 million in grant money from the Bill and Melinda Gates Foundation and Rotary International will go to the World Bank to secure grants for polio eradication. The \$50 million will enable the Bank to convert approximately \$125 million in International Development Association (IDA) loans to grant status — by buying down the net present value of new IDA credits — which in turn will be used by UNICEF to purchase polio vaccines in the countries recommended by WHO.

8. The project on prevention of mother-to-child transmission of HIV/AIDS (PMTCT), implemented by UNICEF and the ministries of health of eight African countries, was built on successful pilots started under a previous UNEF-supported project. A comprehensive package of antenatal, obstetrical and post-natal care services for pregnant women was offered, including voluntary and confidential counselling and testing, the provision of a short course of anti-retroviral (ARV) therapy to HIV-positive women, modified delivery practices and the provision of information on infant feeding.

9. As part of the PMTCT project, data collected from Malawi, Côte d'Ivoire, Namibia and the United Republic of Tanzania for 2002 show that 49,974 women were tested at antenatal clinics. Of the 1,488 who were reported to be HIV-positive and who returned for results, 1,136 initiated an ARV regimen to prevent mother-to-child transmission of HIV. National policy reviews, the training of counsellors, health workers and laboratory technicians, and the preparation and distribution of relevant information materials for pregnant women and the community at large were funded. At its midpoint, this two-year project is well on the way to meeting the goal of scaling up project sites and acquiring additional experience for full-scale implementation and support for other countries in starting PMTCT programmes.

B. Population and women

10. A total of \$10.3 million was approved in 2002 for projects relating to population and women, bringing the total value of this portfolio to \$118 million as at 31 December 2002 (see annex). Country and global projects were implemented by partners, including the Economic Commission for Latin America and the Caribbean, the International Labour Organization (ILO), the Joint United Nations Programme on HIV/AIDS (UNAIDS), the United Nations Development Programme (UNDP), the United Nations Population Fund (UNFPA), the Office of the United Nations High Commissioner for Refugees (UNHCR), UNICEF, the United Nations Fund for Women (UNIFEM) and WHO.

11. In 2002, most of the country team and multi-agency projects funded related to population and women. UNF-funded projects helped spur a new spirit of collaboration among the United Nations agencies. Projects continue to be closely monitored for a better understanding of the challenges and added value of joint implementation.

12. Member States will recall that the programme framework on population and women identified two priority areas, namely, improving the lives of adolescent girls and improving the quality of sexual and reproductive health care.

13. Therefore, the primary focus of the population and women programme is women and girls, since they continue to be denied equal status in a multitude of cultures, countries and political settings. Under the UNF-funded Adolescent Participation and Development initiative, UNICEF, UNFPA and WHO continued to enhance adolescent girls' abilities and social and economic capacity and contribution. After the completion of the planning phase of the initiative in 2002 (which included a holistic assessment of the situation and needs of adolescents, the development of tools and guidelines necessary for strategy design, and programme implementation and monitoring), 11 countries were selected and are currently conducting activities targeting adolescent health, livelihood and education. Encouraged by the results of this initiative, six countries in Africa (Benin, Burkina Faso, Malawi, Mali, Mauritania and Senegal) are exploring the expansion of young people's livelihood opportunities, including microcredit schemes, both as a means to alleviate poverty among this vulnerable group and as a strategy to promote a healthy and safe transition to adulthood.

14. The UNF/UNFIP initiative Improving the Quality of Sexual and Reproductive Health Care, which was set in motion in 2001, made tremendous progress in 2002 and significantly contributed to the realization, at the grass-roots level, of the Programme of Action adopted by the International Conference on Population and Development. Interventions in India, Kyrgyzstan, Mauritania, Nepal, Peru and the United Republic of Tanzania will promote the collective capacity of women to articulate their views in the formulation and implementation of reproductive health policies and services, in order to ensure that health-care institutions are responsive and accountable. The innovative approaches of this initiative led United Nations agencies and other institutions that operated separately to collaborate more closely at the community, country and global levels.

15. Another success story is the initiative Empowering Women and Girls in Poor Communities through Information Delivery and Dialogue — a pioneering effort to promote health, human rights and social progress through the delivery of vital information using cutting-edge satellite technology. Launched in 2002, this initiative is already providing innovative solutions for bridging the digital divide in culturally sensitive ways. It is a bold venture, well adapted to current constraints such as lack of connectivity and the paucity of genuinely useful and practical information for poor and isolated communities. Commencing with 400 villages in Nepal, the project is educating communities about HIV/AIDS prevention and women's and girls' empowerment. Project expansion to India and South-East Asia is under way. The project, led by UNDP and a non-governmental organization, Equal Access, has effectively forged partnerships with other donors, such as the European Space Agency, the United States Agency for International Development (USAID), the World Bank and the Open Society Institute, in joint support of United Nations efforts.

16. Projects approved in 2002 continued to foster a supportive social environment for adolescent girls, improve the delivery of reproductive health services, increase access to reproductive health information and reduce the incidence of HIV/AIDS.

Most of the projects comprised cross-sectoral and multisectoral approaches encompassing the larger issues of poverty and social development.

17. In view of the foregoing, and recognizing the devastating effect of HIV/AIDS, UNF supported new initiatives in various regions aimed at preventing the spread of the disease and mobilizing stakeholders and donors around this critical issue. The Coordinated HIV/AIDS and Sexually Transmitted Disease (STD) Response through Capacity-Building and Awareness (CHARCA) project in India was approved in 2002 in the amount of \$5.6 million and in partnership with the Government of the Netherlands. The project, following its successful planning phase, will utilize a multi-pronged strategy to address district-level information-gathering, awareness creation, social mobilization, skills-building, service-delivery improvement, the strengthening of support structures, district-level management and coordination mechanisms, and the development of an enabling environment for social and policy change. CHARCA is an excellent example of inter-agency collaboration, district "bottom-up" planning and the leveraging of various donor partners.

18. In the Russian Federation, a project jointly funded by UNF and the United Kingdom Department for International Development, aimed at developing partnerships for HIV/sexually transmitted infection (STI) prevention among youth, completed its planning phase and moved into full implementation. The project will serve youth at risk, including adolescent girls in three Russian oblasts, by providing clinical and social support services, mitigating risk factors and vulnerability for HIV/STI transmission and reducing unintended pregnancy.

C. Environment

19. The principal funding priorities in the environmental area are (a) biodiversity and (b) sustainable energy and climate change, each one guided by a separate programme framework. Details on the frameworks are provided in the report of the Secretary-General on UNFIP for 2000 (see A/55/763 and Corr.1, paras. 20-25). A total of \$20.6 million was approved in 2002 for 13 projects in the environmental area, bringing the total value of this portfolio to \$116 million as at 31 December 2002.

1. Biodiversity

20. Productive and healthy ecosystems and the species they support are fundamental to human survival. At the same time, these systems and species are under unprecedented and escalating pressure from human activities. The programme framework on biodiversity, endorsed by the UNFIP Advisory Board¹ and the UNF Board of Directors in 1999, seeks to assist developing countries to promote effective

¹ The UNFIP Advisory Board is chaired by the Deputy Secretary-General and is composed of members who serve in their personal capacity. The current membership is as follows: Lincoln Chen, Director, Global Equity Initiative, John F. Kennedy School of Government, Harvard University; Catherine Bertini, Under-Secretary-General for Management, United Nations; Nitin Desai, Under-Secretary-General for Economic and Social Affairs, United Nations; Gert Rosenthal, President of the Economic and Social Council; Mary Oakes Smith, Manager, Africa Region, World Bank; Marco Antonio Suazo Fernandez, Chairman, Second Committee of the General Assembly; Franklin A. Thomas, head of the Ford Foundation Study Group; and Amir A. Dossal (ex officio), Executive Director, UNFIP.

action for the conservation and sustainable use of key ecosystems and the biodiversity they contain by targeting protected areas designated as World Heritage sites under the 1972 United Nations Educational, Scientific and Cultural Organization (UNESCO) Convention concerning the Protection of the World Cultural and Natural Heritage.

21. In 2002, biodiversity emerged as a central priority of the World Summit on Sustainable Development, which underscored its importance in providing and sustaining livelihoods in poor and rural communities. As a lead-up to the Summit, UNF provided critical funding support for the Equator Initiative, a global partnership working to promote greater recognition of local community efforts to reduce poverty and conserve biodiversity. The Equator Prize 2002 was awarded to 27 extraordinary community enterprises and organizations that are pioneering creative and effective approaches to promoting local economic development through conservation and sustainable use of biodiversity. The finalists were drawn from a pool of 420 nominees from 77 countries. Seven partner organizations have joined with UNDP in support of the Equator Initiative. Beyond the awards, Equator Initiative partners plan to develop local capacity through community-to-community learning exchanges and contribute to the generation and sharing of knowledge to make an impact on policy and public awareness.

22. In addition to its grant-making, UNF continued to work to facilitate partnerships among the United Nations system, corporations, foundations and non-governmental organizations to mobilize technical assistance and leverage other sources of funding to support the conservation of World Heritage sites. A major new partnership between UNESCO, UNF and Conservation International, announced during the thirtieth anniversary event of the World Heritage Convention in November 2002, will bring \$15 million to support World Heritage site biodiversity conservation projects over the next three to five years.

23. UNF funding support under the biodiversity programme framework has also catalysed a major initiative targeted at reversing the decline of coral reefs. The International Coral Reef Action Network (ICRAN) is a strategic alliance of organizations, including the United Nations Environment Programme (UNEP), acting worldwide to address needs related to the management of coral reef ecosystems and their relationship to the communities that depend on them. During the World Summit on Sustainable Development, UNF and ICRAN announced a new alliance with USAID to promote coral reef conservation in Central America. The alliance will provide \$3 million through ICRAN to Central American countries to protect and conserve the biodiversity of the Meso-American Reef, the second largest barrier reef in the world.

24. Other notable environment projects realized include the United Nations Atlas of the Oceans, which was launched on 5 June (World Environment Day) 2003 by the United Nations and leading international scientific agencies. This pioneering Internet-based Atlas offers the first comprehensive real-time tool to observe the state of the world's oceans. Amid mounting concern over the continuing deterioration of marine and coastal ecosystems, the Atlas was created as a tool to help reverse the decline and promote the sustainable development of oceans. The United Nations Atlas of the Oceans represents the world's foremost information clearing house on ocean issues and is expected to assist in negotiations of future marine-related agreements. United Nations project partners engaged in this inter-agency initiative

include the Food and Agriculture Organization of the United Nations (FAO), the International Atomic Energy Agency, the International Maritime Organization, the United Nations Convention on Biological Diversity, the United Nations Division for Ocean Affairs and the Law of the Sea, UNEP, UNESCO and the World Meteorological Organization.

2. Sustainable energy and climate change

25. Member States will recall that the programme framework on sustainable energy and climate change was endorsed by the UNFIP Advisory Board and the UNF Board of Directors in late 2000 and was formally circulated by UNFIP to United Nations system partners in June 2001. The framework serves to channel the use of UNF funds in this area over a three-year period beginning in 2001, with the overall goal of advancing human development and mitigating climate change through the promotion of sustainable, market-oriented, clean energy services and technologies.

26. The framework is guided by the Secretary-General's millennium report (A/54/2000), wherein it is stated that addressing the challenge of climate change is one of the most important tasks of the twenty-first century, and he calls for the promotion of renewable energy and energy efficiency to address this important challenge. Special emphasis is given to market-based approaches for promoting sustainable energy development that are likely to have significant social, economic and environmental benefits and are based on innovative forms of public/private partnerships.

27. Consistent with the Millennium Development Goals, the framework has identified three priority areas for UNF investment: (a) promoting efforts to develop and demonstrate sustainable and commercial approaches to deliver clean and affordable renewable energy services to poor rural communities — as at 31 December 2002, UNFIP and UNF had supported renewable energy projects totalling \$21.6 million; (b) promoting greater energy efficiency through market-oriented policies and programmes — as at 31 December 2002, UNFIP and UNF had supported energy efficiency projects totalling \$7.6 million; and (c) promoting the clean development mechanism of the Kyoto Protocol as a means of assisting developing countries to mitigate climate change by engaging the private sector in promoting investment in renewable energy and energy efficiency projects — as at 31 December 2002, UNFIP and UNF had supported clean development mechanism-related capacity-building projects totalling \$3.7 million.

28. Sustainable energy was one of the five key priorities announced by the Secretary-General for the World Summit on Sustainable Development. While there is no explicit Millennium Development Goal on energy, goals related to poverty alleviation and sustainability clearly require increased access to clean energy services. The energy debate at the Summit, in particular, validated the relevance of the framework. The framework and its explicit focus on leveraging and replicability is especially relevant in the light of the Summit outcomes on type 2 partnerships and the need for effective follow-through. In effect, UNF has provided the United Nations with a source of "venture capital" to undertake innovative, market-based approaches for promoting decentralized renewable energy and energy efficiency.

29. Financing Indian Solar Home Systems is a four-year project launched in 2002 to accelerate the market for credit financing of photovoltaic solar home systems in

the southern Indian state of Karnataka. Although the market for solar home systems in India is growing, only 10 to 15 per cent of rural households and enterprises can afford to pay cash for such systems. The project, an initiative of UNEP, in partnership with two of India's largest banking groups, has developed a credit facility to enable up to 20,000 Indian households to purchase solar home systems at an interest rate of approximately 5 per cent below the normal consumer lending rates. The Syndicate Bank and Canara Bank have begun offering new low-interest loans under the UNEP programme, which is aimed at "buying down" the financing cost of photovoltaic solar home systems. The project is made possible with support from UNF and the Shell Foundation.

30. Eastern and Central Europe face severe economic and environmental problems caused by inefficient and polluting energy systems. In 2002, UNF continued to support the efforts of the United Nations Economic Commission for Europe to accelerate energy efficiency market formation activities in five countries by promoting investment in energy efficiency projects in the municipal lighting, hospital and district heating sectors. The project has established a network of energy efficiency demonstration zones in 19 municipalities and generated 30 business plans for \$60 million in energy efficiency investment project proposals. Of these, several projects have already been financed, including projects in Belarus and the Russian Federation for which the World Bank and other investors approved \$9 million in financing. Under negotiation is \$15 million of European Bank for Reconstruction and Development financing for energy efficiency investments in Moscow.

31. UNF and the E7 organization launched a new partnership initiative during the World Summit on Sustainable Development aimed at expanding access to electricity for the poor. E7, formed during the Earth Summit in Rio de Janeiro, aims to support sustainable development and comprises nine leading electric utilities in Japan, Europe and North America, namely, AEP (United States of America), Electricité de France (France), Enel (Italy), Hydro-Québec (Canada), Kansai Electric Power (Japan), Ontario Power Generation (Canada), RWE (Germany), ScottishPower (United Kingdom of Great Britain and Northern Ireland) and Tokyo Electric Power (Japan).

D. Peace, security and human rights

32. A total of \$3.1 million was approved in 2002 for projects in the peace, security and human rights area, bringing the total value of this portfolio to \$43 million as at 31 December 2002 (see annex).

33. During 2002, the majority of approved projects focused on supporting reconciliation processes, strengthening good governance and the rule of law, rebuilding communities and promoting civil society in post-conflict settings. This was carried out through: (a) collaboration with UNDP in support of a national dialogue on citizen security in Guatemala and reconstruction efforts aimed at promoting ethnic reconciliation and coexistence in the Balkans region; (b) support for the Department of Political Affairs and the War Torn Societies Project to encourage community-based peace efforts in the former Yugoslav Republic of Macedonia; and (c) cooperation with the Department of Peacekeeping Operations to build local capacity in newly independent Timor-Leste.

34. Another example of UNF/UNFIP support in the areas of conflict prevention and peace-building is a UNDP planning initiative in Arab States aimed at enhancing national capacity in the areas of rule of law and good governance. This planning phase is expected to produce, by late 2003, a full project proposal drawing from data collected through participatory needs assessment with the full engagement of national rule of law institutions and civil society. A capacity-building plan of action and the development of a regional network of rule-of-law professionals and institutions will form part of the project objectives.

35. Also approved during 2002 was an initiative by the Department for Disarmament Affairs, in collaboration with a non-governmental organization, the Hague Appeal for Peace, focused on education for children in post-conflict environments to promote non-violent behaviour, thereby contributing to peace-building and rehabilitation. This is a demonstration of the continuing commitment of UNF and UNFIP to advocacy and awareness-building in opposition to the proliferation of small arms and light weapons, which are the principal means of committing acts of violence against civilian populations and one of the key obstacles to post-conflict rehabilitation.

36. In addition to these field-based operational initiatives, UNFIP and UNF continued to support the strengthening of the Organization's capacity for peace operations, conflict prevention and peace-building. During 2002, support was provided to the Department of Peacekeeping Operations in its efforts to develop a leadership and management training programme to enhance the capacity of the Organization's staff for effective peace operations, as well as for the continuous training efforts of the United Nations Institute for Training and Research, aimed at mainstreaming gender perspectives in peace operations.

37. In the area of human rights, emphasis continues to be placed on strengthening and supporting the role of civil societies in promoting human rights at the community level. During 2002, the initiative to build a network of human rights experts and advocates in the global South made significant progress. Based initially in Brazil, a network has been successfully facilitating cross-fertilization of ideas, peer learning and information-sharing among human rights experts in developing countries, especially in Latin America and Africa.

38. In 2002, UNFIP and UNF increased the substantive review of ongoing projects to draw lessons and best practices from them, focusing on the role of women in peace-building. Since 1999, UNFIP and UNF had been supporting a successful UNIFEM project promoting women's participation in the peace-building process in the southern Caucasus. An in-depth monitoring mission found that the project was having a significant impact in raising awareness and building women's capacities to promote peace and to assume community leadership. As a result, UNFIP and UNF expanded their support in this area by working with UNIFEM to launch a global project with similar goals.

E. Monitoring and evaluation

39. The goal of the UNF and UNFIP monitoring and evaluation strategy is to ensure that mechanisms to track progress towards achieving the goals in each of the major programmes are used in a cost-effective and efficient manner. The following are the guiding principles in this endeavour:

- (a) Use what is already produced to the greatest extent possible;
- (b) Use United Nations entities to the greatest extent possible in the monitoring and evaluation of their own programmes;
- (c) Utilize lessons learned for future programming;
- (d) Invest in new monitoring and evaluation efforts only when the effective use of information gathered is ensured and when the intended users of the information have been identified.

40. The UNF and UNFIP monitoring and evaluation strategy also differentiates four separate activities, the first two of which constitute monitoring and the second two evaluation: (a) annual programme progress reporting; (b) financial and budget monitoring and reporting; (c) project-level evaluation of inputs, outputs, outcomes or impacts; and (d) programme evaluation of clusters of projects, topics cutting across projects or important to the overall UNF and United Nations priorities, and institutional strengthening.

41. In its report to the General Assembly (A/57/7/Add.6), dated 17 October 2002 the Advisory Committee on Administrative and Budgetary Questions observed that UNFIP's monitoring process appeared to be onerous and bureaucratic and that the time had come to assess and streamline the whole process. The Committee recommended an analysis of whether the reporting exercise had enabled UNFIP to become more focused, enabling it to better measure impact and to attain the objectives of getting additional resources and creating public/private partnerships in support of United Nations causes.

42. UNFIP has considered the recommendation of the Advisory Committee in the light of its history and agrees fully that the reporting process needs constant surveillance and adjustment to ensure that it does not become an end in itself but serves mainly the purpose of carrying out the business of the United Nations. In this connection, the following changes have been made to the UNF/UNFIP reporting framework, following consultations with UNF and implementing partners on streamlining reporting requirements so as to lighten the burden on all stakeholders, while still striving for greater effectiveness:

- (a) In 1999, UNFIP changed the frequency of progress reports from semi-annual to annual;
- (b) In 2002, UNFIP changed the frequency of financial reporting from quarterly to semi-annual. In this connection, the requirement for an annual financial statement from United Nations offices and departments has been eliminated because it was unnecessary;
- (c) Also in 2002, two improvements were introduced with respect to completed projects:
 - (i) UNFIP revised the final financial reporting requirements for projects with agencies subject to audit by the Board of External Auditors, resulting in simplified procedures for the majority of implementing partners;
 - (ii) The two separate reports required — a final-year progress report and a final substantive report — were combined into one report that effectively summarizes the activities undertaken in the final year and the overall

assessment by the agency of the project activities; the applicable deadline allows the report to be submitted within a 90-day period;

(d) Other deadlines have also been adjusted:

(i) Financial reports are due 45 days after the close of the financial period involved, instead of 30 days;

(ii) The deadline for the submission of annual progress reports has been synchronized with the deadline for submitting the second semi-annual financial report, 15 February.

43. During 2002, as recommended by the Advisory Committee on Administrative and Budgetary Questions in its report (see A/C.5/57/SR.20), UNFIP embarked on a series of activities as part of a long-term, comprehensive and systematic analysis of its programmes and projects aimed at streamlining the Fund's activities and making them focused and more effective. The following principles guided this process: (a) move from implementing projects to solving problems; (b) identify synergies between UNFIP/UNF programme frameworks and Millennium Development Goal for further prioritization; and (c) extract knowledge from evaluations of clusters of grants with a view to future partnership-building or the replication or scaling up of projects by United Nations implementing partners.

44. In consultation with focal points, UNFIP developed discrete linkages with relevant Millennium Development Goal targets and indicators and explored their relationship with UNFIP/UNF programme frameworks. This analysis will continue in 2003, with the expectation that in 2004 the focus might move to a few selected themes in support of the Millennium Development Goals, with relevant targets and indicators tracking the effectiveness of programme investment and the results achieved.

45. In terms of monitoring during 2002, the following activities took place: 59 completed final project reports were assessed; 132 annual progress reports were analysed, and feedback was provided to implementing partners; semi-annual tracking of implementation rates was carried out on the basis of financial reports and programme feedback to partners; field visits were undertaken by programme officers to 15 countries (jointly with implementing partners, either to learn lessons for future grant-making, to tell a successful United Nations story or for course-correction purposes); 9 portfolio reviews were undertaken with major implementing partners (in these in-depth sessions, the progress of all projects was reviewed and substantive discussions were held on end results to be achieved by the UNF-supported investments); and ongoing virtual contacts with project managers and UNFIP programme officers were maintained on the progress and results of projects.

46. In terms of evaluation, in 2002 two programme clusters — on tobacco-free initiatives and adolescent girls — were given priority.

47. UNF, UNFIP and WHO began a review of the cluster of five grants supporting the WHO Tobacco-Free Initiative. The strategy was designed to ascertain the range of effects attributable to the activities in question, taking into account that it will require decades to obtain data on their impact on tobacco-related mortality. Phase I of the survey (which has been completed) was based on a document review and structured interviews with 19 stakeholders by an external consultant. Among the positive findings was that the Global Youth Tobacco Surveys had a significant

impact on the global system of prevention and control of tobacco use and on leveraging. The UNF grant provided funds to support the first 16 surveys in 1999. Thereafter, the resources to carry out the Survey in an additional 96 countries were provided by WHO partners, namely, the United States Centers for Disease Control and Prevention, the National Cancer Institute and the Canadian Public Health Association. Phase 2, data- and information-gathering at the global, country and local levels, and phase 3, review of findings by stakeholders and production of a final report, will be carried out subject to the securing of the required funding.

48. UNF, in collaboration with United Nations stakeholders (UNFPA, UNICEF and WHO) engaged the Population Council to conduct an evaluation of programmes for adolescent girls. Interviews were conducted with key staff dealing with adolescent programmes at various United Nations agencies, as well as with UNFIP focal points; and a desk review of all 34 UNF grants with programmatic emphasis on adolescent girls was carried out. The UNF/UNFIP programme for promoting adolescent participation and development represents a comprehensive effort to (a) identify the needs and potentials of adolescents in a gender-sensitive context; (b) design projects that strengthen the social and economic roles of adolescents; and (c) promote human rights. It was also established that the UNF grants fostered a broad-based developmental approach encompassing livelihoods, education (formal and informal), health information and services. A key finding was that this approach was found to be more effective than the "health only" strategy in meeting adolescents' needs. UNF-supported adolescent projects were also the first to engage concerned United Nations agencies in working together, thus contributing to the Secretary-General's reform process and prompting those agencies to critically examine their comparative advantages in addressing adolescent development issues.

49. The monitoring and evaluation process is an ongoing task, aimed at ensuring that activities remain effective and benefit from latest lessons learned. The evolution of UNFIP activities in this regard has kept pace with, and supported the changes in, programmatic development. As a result of a more thematic approach, the programmes have become more focused, using the venture capital aspect of the UNF contribution to effectively leverage resources from multiple partners.

III. Facilitating partnerships

50. Building on the success of the partnership between UNF and the United Nations system, and acting as a facilitator of new partnerships with other corporate and foundation partners, UNFIP continues to support the United Nations family in the development of innovative programmes and projects to achieve the Millennium Development Goals.

51. In response to the Secretary-General's request for the appointment of private sector focal points in 2000, UNFIP facilitated a team-based approach and information system for the 29 United Nations entities that have appointed private sector focal points. In October 2002, UNFIP, in collaboration with the Global Compact, organized a round table with all United Nations private sector focal points on the theme "Achieving the Millennium Development Goals".

52. The major outcome of the October 2002 round table was the designation of lead entities to work on five key thematic areas, namely, (a) identification of corporate and foundation partners to assist in implementing the Millennium

Development Goals (UNDP, Global Compact, UNEP and UNF); (b) strengthening United Nations staff capacities to work with corporate and foundation partners, particularly within country programmes (United Nations Staff College); (c) improving the United Nations web site on corporate partnerships and presenting thematic project menus (Department of Public Information); (d) improving tools for partner selection and accountability (International Fund for Agricultural Development and FAO); and (e) creating innovative fiduciary and funding mechanisms (UNESCO and UNF).

53. UNFIP played a facilitating role with Cisco Systems, Inc., in its partnership with the United Nations. Since the launch of the partnership, Cisco Systems, UNDP, the United Nations Volunteer Programme, the United Nations Information Technology Service and USAID have been working together to train students for the Internet economy. This has been achieved by establishing the Cisco Networking Academy Programme in countries that suffer from poverty and from weak human resources and economic institutions. In 2002, 5,500 students — 25 per cent of whom were females — had access to the cutting-edge information technology (IT) curriculum.

54. UNFIP also facilitated the Digital Bridge to Africa meeting, held on 12 July 2002 in partnership with the United Nations Information and Communication Technologies (ICT) Task Force, Digital Partners, Gruppo Cerfe and UNIFEM. More than 100 participants attended, including leading members of the African diaspora and representatives of technology corporations, foundations and non-profit organizations. Results included the official launch of the Digital Diaspora Network-Africa (DDN-A), a non-profit organization that seeks to promote development in Africa. In addition, AfricShare was established as a resource and knowledge-sharing facility to match innovative projects with mentors from DDN-A. The Social Fund for Africa was also inaugurated to provide financial support for entrepreneurial ICT activities in the region.

55. UNFIP has also served as a close partner of UNIFEM for the development of the Global Advisory Committee, which comprises mainly African IT entrepreneurs who advise on strategic partnerships to bridge the gender digital divide. The programme seeks to empower African women through innovative uses of information and communication technologies. The partnerships build on existing experiences and successful IT ventures undertaken in Africa by African women in the diaspora.

56. In 2002, UNFIP established ties with foundation consortiums, including the Council on Foundations, the Global Philanthropy Forum, the Network of European Foundations for Innovative Cooperation, and strengthened its ties with the European Foundation Centre. UNFIP further expanded United Nations collaboration with foundations, including the E7 Fund, the Bill and Melinda Gates Foundation, the Conrad N. Hilton Foundation, the King Baudouin Foundation and the Van Leer Group Foundation. UNFIP also established links with the Princess Diana Memorial Fund, with special emphasis on HIV/AIDS.

57. UNFIP also arranged meetings for United Nations colleagues with approximately 35 professional associations, academic and research institutions and non-governmental organizations. These included the Corporate Council on Africa, the African-American Institute, the Southern African Development Bank and Development Fund, Hope Worldwide, the United States Chamber of Commerce, the

Centre for International Private Enterprise, the Drucker Foundation, the East Timor Fund, Earth Day, the Groundwater Foundation, Kids to Kids International, Books for Africa, the World Diversity for Peace Group, the International Business Leaders Forum, the International Development Law Institute, the Aravind Institute, the Conflict Management Group, the Financial Times Stock Exchange, the Discovery Advisory Group, the Global Alliance for Improved Nutrition, the International Women's Democracy Centre, Living Water International, the International Centre for Not-for-Profit Law, the Aspen Institute Initiative for Social Innovation Through Business, the Leadership Institute, the Synergos Institute and the Chicago Council on Foreign Affairs.

58. A compendium profiling more than 200 companies and foundations whose mandates and philanthropic vision match the Millennium Development Goals was developed by UNFIP during 2002 and was shared with all the United Nations private sector focal points. As requested, specific compendiums of companies were developed on Millennium Development Goal themes for UNEFA (women's reproductive health), the Office for the Coordination of Humanitarian Affairs (humanitarian issues), UNHCR (refugees), UNDP and the Department of Economic and Social Affairs (water and sanitation), UNESCO (primary education) and UNIFEM (information technology and women in Africa).

IV. Advocacy and public affairs

59. In close collaboration with UNF and its sister organization the Better World Fund, UNFIP increased its advocacy and public affairs efforts during 2002, focusing particularly on raising awareness of the work of the organization and on identifying new partners for the achievement of the Millennium Development Goals. In this regard, UNFIP organized a number of policy discussions and partnership development forums, bringing together United Nations colleagues and corporate and foundation executives, professional associations, academic and research institutions and non-governmental organizations.

60. UNFIP has also been working closely with the United Nations Association (UNA) of the United States of America, including its local chapters, and with the Business Council for the United Nations, to promote United Nations causes and engage the business community in partnerships. In 2002, the Fund participated in a dialogue with UNA-Greater Boston chapter on HIV/AIDS issues.

61. UNFIP has established a close collaboration with the European Foundation Community (EFC) and has facilitated numerous dialogues with United Nations agencies. In 2002, UNFIP, represented by its Executive Director, became a member of the EFC Programme Committee with a view to providing counsel to European foundations on United Nations engagement and to supporting implementation of the Millennium Development Goals.

62. In 2002, UNFIP launched its web site (www.unfip.org) as a tool to increase awareness about the Fund's activities on behalf of the United Nations and to attract new partners to work with the United Nations. The Fund also developed a number of articles and press releases for the international media with the aim of raising awareness of United Nations activities and promoting partnership between the United Nations and the private sector and foundations.

V. Funding rounds

63. During 2002 (eleventh and twelfth funding rounds) the UNFIP Advisory Board and the UNF Board of Directors considered and approved 29 new projects in the amount of \$69 million. The breakdown by theme is as follows: \$33.1 million for projects relating to children's health, \$20.6 million for projects concerning the environment, \$10.3 million for projects regarding population and women, \$3.1 million for projects in the peace, security and human rights area and \$2.2 million for institutional capacity-building.

64. During the eleventh funding round, the UNFIP secretariat received a total of 53 project proposals. On 13 June 2002, the UNFIP Advisory Board reviewed the proposals and endorsed 21 of them for recommendation to the UNF Board of Directors. During its meeting from 18 to 21 July 2002, the Board of Directors announced the approval of 17 grants totalling \$25.6 million.

65. A total of 28 project proposals were reviewed by the UNFIP secretariat for the twelfth funding round. In November 2002, the UNFIP Advisory Board reviewed the proposals and endorsed 24 of them (inclusive of intersessionals) for recommendation to the UNF Board of Directors, which in its meeting from 9 to 11 December 2002 approved a total of 23 grants amounting to \$43.7 million.

VI. Operational and financial arrangements

66. UNF and UNFIP work closely on decisions regarding projects and relationships with partners. Frequent conferences are held with United Nations implementing partners. There is at least one major general meeting of focal points involving agencies at up to six locations each year, and meetings are held with non-governmental organization implementing partners and donors in order to address concerns of the parties and ensure the full participation of all stakeholders in decision-making. UNFIP held special-purpose meetings with United Nations focal points to ensure continued dialogue on issues of mutual concern or interest, to hold portfolio reviews and to provide feedback on prospective project proposals.

67. The UNFIP Handbook on Budget and Finance was issued in June and was provided to implementing partners for information. Updated project guidelines were issued in October 2002 to assist United Nations implementing partners in making timely submissions that meet funding requirements. The progress and financial reports of implementing partners were delivered on time more often than in previous years. UNFIP continues to explore ways of supporting financial monitoring and analysis with enhanced IT capacity. In the meantime, UNFIP keeps its current applications updated in order to meet emerging needs of the office.

68. To implement the recommendations of the Board of Auditors, UNFIP introduced new guidelines in August 2002 to inform United Nations entities of revised final financial reporting requirements for completed projects. In addition, UNFIP installed document-sending equipment to expedite the processing of funding requests, which succeeded in reducing the average time required by the Secretariat to process funding requests from 16 calendar days to 7.

VII. Conclusions

69. 2002 marked the fifth year in the partnership between the United Nations and the United Nations Foundation. UNFIP continued to serve as the operational arm of the Secretary-General in this partnership, which has gone through a logical evolution from the initial "near-exclusive" grant-making approach to that of a multifaceted facility aimed at supporting the United Nations and its causes through: (a) grant-making — increasingly in collaboration with other donors and focusing on large programmes rather than individual projects; (b) partnership development and resource mobilization — moving from supply orientation to a demand-driven approach to identifying new and additional resources for the United Nations system; and (c) public advocacy and outreach — seeking to "tell the United Nations story" in collaboration with the United Nations Secretariat, chiefly the Department of Public Information and the Better World Fund.

70. In 2003, UNFIP will continue to support the partnership between the United Nations and UNEF, in addition to acting as facilitator of new partnerships between various United Nations entities and the private sector and foundations. In this respect, UNFIP will continue to be guided by the Secretary-General's programme of reform and the Millennium Development Goals.

Annex**Projects funded by the United Nations Foundation,
by programme area**

<i>Programme area</i>	<i>As at 31 December 2001</i>		<i>Approvals in 2002</i>		<i>Total</i>		<i>Contributed by</i>	
	<i>Number of projects</i>	<i>Value (United States dollars)</i>	<i>Number of projects</i>	<i>Value (United States dollars)</i>	<i>Number of projects</i>	<i>Value (United States dollars)</i>	<i>Other donors</i>	<i>United Nations Foundation</i>
Children's health	47	167 801 908	1	33 148 773	48	200 950 681	94 970 363	105 980 318
Population and women	67	107 681 751	4	10 256 399	71	117 938 150	11 871 389	106 066 761
Environment	65	95 161 421	10	20 590 000	75	115 751 421	22 765 000	92 986 421
Peace, security and human rights	31	40 046 501	10	3 084 500	41	43 131 001	11 550 000	31 581 001
Other	12	9 309 056	4	2 215 000	16	11 524 056	-	11 524 056
Total	222	420 000 637	29	69 294 672	251	489 295 309	141 156 752	348 138 557